

2018 Regular Session

SENATE BILL NO. 304

BY SENATOR WALSWORTH

ATTORNEY GENERAL. Authorizes the Department of Justice to retain certain "going-out-of-business sale" deposits in the Consumer Protection Fund. (7/1/18)

1 AN ACT

2 To amend and reenact R.S. 51:42(1) and to enact R.S. 51:51(E), relative to going-out-of-
3 business sale licenses; to provide relative to holding of deposits; to authorize the
4 Department of Justice to retain certain deposits in the Consumer Protection Fund; to
5 provide for definitions; to provide for an effective date; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 51:42(1) is hereby amended and reenacted and R.S. 51:51(E) is
9 hereby enacted to read as follows:

10 §42. Definitions

11 For purposes of this Part, the following terms shall have the meanings
12 specified in this Section:

13 (1) "Going-out-of-business sale" means any sale advertised, represented, or
14 held forth as a sale to dispose of all goods as a means of ceasing to do business or
15 changing business location. Such term shall include a sale held under the designation
16 of "going-out-of-business", "selling out", "liquidation", "lost our lease", "forced to
17 vacate", "moving to a new location", "**closing out sale**", "**store closing sale**", or

1 any other designation of like meaning. However, such term shall not include an end-
2 of-the-season sale or a going-out-of-business sale limited to sale of a particular brand
3 or line of goods.

4 * * *

5 §51. Holding of deposit

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7 **E. Upon the failure of the licensee to return the license or an affidavit in**
8 **lieu of such return, the deposit shall revert back to the Department of Justice**
9 **after three hundred sixty-five calendar days from the expiration of the license.**
10 **All such deposits shall be used as self-generated revenue and be retained by the**
11 **Department of Justice in the Consumer Protection Fund, and no part thereof**
12 **shall revert to the state general fund at the end of any fiscal year.**

13 Section 2. The provisions of this Act shall become effective July 1, 2018.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Curry Lann.

DIGEST

SB 304 Original

2018 Regular Session

Walsworth

Present law defines "going-out-of-business sale" as any sale advertised, represented, or held forth as a sale to dispose of all goods as a means of ceasing to do business or changing business location. Such term includes a sale held under the designation of "going-out-of-business", "selling out", "liquidation", "lost our lease", "forced to vacate", "moving to a new location", or any other designation of like meaning. However, such term does not include an end-of-the-season sale or a going-out-of-business sale limited to sale of a particular brand or line of goods.

Proposed law retains present law and adds sales held under the designations "closing out sale" and "store closing sale".

Present law requires a deposit for each application for a "going-out-of-business sale" license of either \$500 or a dollar amount equal to one percent of the wholesale cost of the inventory, whichever amount is greater.

Proposed law retains present law.

Proposed law provides that upon the failure of the licensee to return the "going-out-of-business sale" license or an affidavit in lieu of such return, the deposit reverts back to the Dept. of Justice after 365 calendar days from the expiration of the license.

Proposed law further requires all deposits to be used as self-generated revenue and be retained by the Dept. of Justice in the Consumer Protection Fund, and no part thereof shall revert to the state general fund at the end of any fiscal year.

Effective July 1, 2018.

(Amends R.S. 51:42(1); adds R.S. 51:51(E))